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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Marlene H. Dortch
Federal Communications Commission
Office of the Secretary
c/o Vistronix, Inc.
236 Massachusetts Avenue, N.E.
Suite 110
Washington, D.C. 20002

WorldCom, Cox, and AT&T ads. Verizon
CC Docket Nos. 00-218, 00-249, and 00-251

Dear Ms. Dortch:

Enclosed please find four copies of Verizon VA's Argument in Support of Disputed Contract Language. Please do not hesitate to call me with any questions.

Sincerely,

Kelly L. Faglioni
Counsel for Verizon

KLF/ar
Enclosures
cc: Jeffery Dygert, Assistant Bureau Chief, Common Carrier Bureau (8 copies) (By Hand)

No. of Copies rec'd 0+3
List ABCDE

With enclosures, via email and UPS-Next Day:
Jodie L. Kelley, counsel for WorldCom
Kimberly Wild, counsel for WorldCom
David Levy, counsel for AT&T
Mark A. Keffer, counsel for AT&T
J.G. Harrington, counsel for Cox
Carrington F. Phillip, counsel for Cox

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Expedited Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration	)	CC Docket No. 00-218
In the Matter of Petition of Cox Virginia Telecom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc. and for Arbitration	)	CC Docket No. 00-249
In the Matter of Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc.	)	CC Docket No. 00-251

VERIZON VA'S ARGUMENT IN SUPPORT OF DISPUTED CONTRACT LANGUAGE

Verizon Virginia Inc. ("Verizon") and AT&T Communications of Virginia, Inc. ("AT&T") were unable to file a final interconnection agreement as required by paragraph 767 of the *Memorandum Opinion and Order* released by the Wireline Competition Bureau on July 17, 2002, in this docket (*"Non-Cost Order"*). Despite their best efforts to incorporate all determinations of the *Non-Cost Order*, they disagree with respect to three areas of the Agreement:

1. § 6.2.4 (Access Toll Connecting Trunks[1]);

2. § 1.3.2 of Schedule 11.2.17 (charges for modifications to Verizon's OSS required by AT&T's use of its own pre-qualification tools for line splitting[2]); and

3. § 11.2.12.2(B), (C) and (E) (pre-qualification of stand-alone loops[3]);

The Bureau should adopt Verizon's proposals regarding these three issues for the reasons set forth herein.

I. Section 6.2.4: Access Connecting Trunks

In connection with its discussion of Competitive Access Service (Issue V-1/V-8), the Bureau adopted §§ 6.2 et seq. of AT&T's proposed agreement.[4] Notwithstanding the Bureau's directive to include AT&T's language in the parties' interconnection agreement, AT&T is now seeking to change a section of it. The specific language in dispute is Section 6.2.4.[5] Consistent with AT&T's November proposal, Verizon is proposing that, when Verizon has multiple access tandems in a LATA,[6] AT&T will establish separate Access Toll Connecting Trunks (and associated facilities) to each tandem. AT&T, by contrast, is now proposing new language that would permit it to

[1] *See Non-Cost Order*, Issue V-1/V-8 (Competitive Access Service).

[2] *See Non-Cost Order*, Issue III-10 (Line Sharing and Line Splitting), sub-issue(d) - (Loop Qualification).

[3] *Id.*

[4] *Non-Cost Order* at ¶ 209 and n.697. For the sake of clarity, AT&T and Verizon have subsequently agreed to minor revisions of the contract language in § 6.2 adopted by the Bureau.

[5] Section 6.2.4 of the Agreement addresses the establishment of Access Toll Connecting Trunks by which AT&T can provide tandem-transported Switched Exchange Access Services to Interexchange Carriers to originate and terminate traffic to and from AT&T's customers. For the purposes of the Agreement, the Parties have defined such traffic to be Meet Point Billing Traffic.

[6] The Verizon Virginia operating territory subject to this Agreement includes serving areas in LATAs 236, 244, 246, 248, 250, and 252. Verizon Virginia currently has multiple access tandems in all its LATAs except LATAs 236 and 252, where there is one Verizon access tandem.

establish trunk groups to a single tandem in a multi-tandem LATA. The Bureau should reject AT&T's proposal for several reasons.

First, with the exception of mutually agreed upon revisions, Verizon's proposed § 6.2.4 is the **same** language that AT&T submitted in its November Proposed Agreement and that the Bureau adopted.[7] AT&T, however, is now proposing a new § 6.2.4 that is substantively different.[8] Because AT&T did not propose this language at any time in this proceeding, neither the Bureau nor Verizon had any opportunity to consider it. The Bureau, moreover, did not suggest that AT&T was free to propose new language. Instead, it instructed the parties to incorporate the determinations in the *Non-Cost Order* into a final interconnection agreement.[9] The Bureau should therefore reject AT&T's attempt to insert brand new contract language into the interconnection agreement at this late date, particularly because the Bureau adopted the language that AT&T proposed.

Second, AT&T's new § 6.2.4 is inconsistent with other language included in its November Proposed Agreement and subsequently adopted by the Bureau.[10] Specifically, AT&T's new § 6.2.4 is inconsistent with Schedule 4, Part C, §§ 6, 7 and 8. Section 6 provides that

---

[7] Verizon's proposed § 6.2.4 provides as follows:

> AT&T's switch shall subtend the Verizon Tandem that would have served the same rate center on Verizon's network as identified in the LERG. Alternative configurations will be discussed and negotiated in good faith as part of the Joint Implementation and Grooming Process.

[8] AT&T's proposed § 6.2.4 provides as follows:

> AT&T will establish Access Toll Connecting Trunk groups to the Verizon tandem which AT&T's switch subtends as identified in the LERG.

[9] *Non-Cost Order* at ¶ 767.

[10] *See Non-Cost Order* at ¶ 51, n 116 (adopting AT&T's November Proposed Agreement, Schedule 4).

> The Parties shall deliver over any I-Traffic trunk groups groomed for a specific access tandem only traffic destined for those publicly-dialable NPA-NXX codes served by: (1) End Offices that directly subtend the access Tandem . . . .

AT&T's definition of I-Traffic includes Meet Point Billing traffic, which is carried by Access Toll Connecting Trunks. Therefore, § 6 recognizes that trunk groups must be groomed for a specific access tandem, and there must be separate trunk groups for each access tandem.

Similarly, § 7 makes it clear that separate trunk groups are necessary. That section requires the Parties to:

> deliver over any I-Traffic trunk groups groomed for a specific End Office only traffic destined for those publicly-dialable NPA-NXX codes served by that End Office, unless otherwise agreed to by the Parties.

Finally, AT&T's proposed § 6.2.4 totally ignores the requirement, contained in Schedule 4, Part C, § 8, that traffic must be routed based on the current version of the Local Exchange Routing Guide ("LERG"), unless otherwise agreed to by the Parties.[11] In Verizon's network, each end office subtends a single, specific tandem office, and that information is specified in the LERG for every end office. All carriers use this information to route calls to ensure that calls to a specific end office are routed through the correct tandem so that they can be completed. Under AT&T's new § 6.2.4, however, some calls could be routed to the wrong tandem and blocked.

An additional reason that AT&T's proposal should be rejected is that it is inconsistent with the language the Bureau adopted for both the WorldCom and Cox

[11] The LERG, issued by Telcordia Technologies, Inc., is an industry guide informing carriers which switches subtend to which Verizon tandems and the telephone numbers (NPA-NXXs) that correspond to those switches.

agreements.[12] Indeed, the relevant contract language proposed by WorldCom (and subsequently submitted by Verizon and WorldCom in conformance with Paragraph 769 of the *Non-Cost Order*) is consistent with Verizon's proposed § 6.2.4, and should be considered by the Bureau as an appropriate substitute to resolve the current dispute between Verizon and AT&T.[13]

II. Schedule 11.2.17, § 1.3.2: Charges for Modifications to Verizon's OSS Required by AT&T Use of Its Own Loop Pre-Qualification Tools

Schedule 11.2.17, § 1.3.2 permits AT&T, at its option, to use its own loop pre-qualification tools for line splitting. The dispute centers on the last sentence of this section, which addresses AT&T's payment of costs incurred to modify OSS when AT&T uses its own tools.[14] Specifically, the Parties disagree on how to interpret the Bureau's decision that:

---

[12] For WorldCom, the Bureau addressed this issue in connection with Issue IV-6 (Meet Point Trunking Arrangements). *See Non-Cost Order* at ¶ 177; WorldCom's November Proposed Agreement to Verizon, Part C, Attachment IV, § 1.4.2. Should the Bureau grant Verizon's request for reconsideration of Issue IV-6, the language Verizon originally proposed to WorldCom also would adequately resolve the dispute between AT&T and Verizon. *See also* the first sentence of the conforming contract language submitted by Verizon and Cox, § 6.2.1, which is identical to the contract language in Verizon's November Proposed Agreement to AT&T.

[13] *See Non-Cost Order* ¶ 30 (noting that Rule 51.807(f)(3) was amended so that "the Arbitrator has discretion to direct the parties . . . to adopt a result not submitted by any party that is consistent with section 252 of the Act and the Commission's rules adopted pursuant to that section."). Indeed, the Bureau exercised such discretion in a number of instances . *See id.* at ¶¶ 120,135.

[14] Verizon's proposed Schedule 11.2.17 § 1.3.2 reads as follows:

> **1.3.2** Notwithstanding the foregoing, AT&T may elect to perform Loop pre-qualification for Line Splitting using a qualification procedure other than those offered by Verizon and in such cases Verizon shall not reject an AT&T order for Line Splitting because Verizon's Loop pre-qualification procedure was not performed. When AT&T opts not to use Verizon's tools to perform Loop pre-qualification, AT&T will not hold Verizon responsible for service performance of the Loop until such Loop is qualified according to then-current Verizon Loop qualification procedures. When AT&T elects not to use Verizon's loop pre-qualification procedure, it shall not be assessed any charge for such procedures; however, for the avoidance of any doubt, Verizon shall bill and AT&T shall pay any charges incurred by Verizon in connection with modifications to its loop pre-

> [c]onsistent with the holding in the *New York Commission AT&T Arbitration Order, . . .* to the extent it is technically feasible for Verizon to modify the requisite systems to accommodate both AT&T's needs and those of other competitive LECs, **and if AT&T is willing to pay for these modifications,** Verizon should make them.[15]

This language makes it clear that AT&T is required to pay the costs Verizon incurs "to modify the requisite systems to accommodate ... AT&T's needs." That result is compelled by the Commission's prior observation that ILECs must "be fully compensated for any efforts they make to increase the quality of access or elements within their own network."[16] The agreement should therefore clearly provide that AT&T must pay for any OSS modifications required to permit it to use its own loop pre-qualification tools. AT&T, however, proposes language that suggests that AT&T must only pay for OSS modifications that it requests.

AT&T's language is objectionable because AT&T might argue that no system modifications are required. Indeed, AT&T makes that argument in its Petition for Reconsideration at 15 ("... it is clear that no system modifications are necessary to accept line splitting orders for which AT&T has performed an alternative loop qualification process"). Accordingly, under AT&T's language, it might argue that it did not request any system modifications, and is therefore under no obligation to pay for them. That result would be directly contrary to the Bureau's ruling.

> qualification OSS that are made ***as a result of AT&T's decision to use non-Verizon loop pre-qualification tools.***

AT&T objects to the emphasized phrase, proposing to replace it with the phrase "at AT&T's request."

[15] *Non-Cost Order* at ¶ 398 (emphasis added).

[16] *In re Implementation of the Local Competition Provision in the Telecommunications Act of 1996*, First Report and Order, 11 FCC Rcd 15499 at ¶ 314 (1996).

Providing AT&T with the option to use its own tools, moreover, will automatically require system modifications. As explained in Verizon's Petition for Reconsideration, allowing AT&T to use its own tools will impose very significant costs on Verizon to develop a new non-pre-qualified line splitting product that only one CLEC will purchase in one state. At a minimum, Verizon would need to modify its OSS to accept local service requests for loops that have not been pre-qualified. In addition, Verizon will need to be able to distinguish whether the loop was pre-qualified using the Verizon database or AT&T's own loop qualification system, will need to validate that AT&T has submitted a valid pre-qualified order and will need to tag the orders for downstream provisioning and maintenance purposes. To avoid penalties for loops that AT&T's tools inaccurately pre-qualified, Verizon would also incur significant costs to remove those loops pre-qualified by AT&T from the data source used to calculate performance metrics.[17] The Bureau clearly held that Verizon is not required to make these modifications unless AT&T is willing to pay for them, and the Bureau should therefore reject AT&T's language that leaves that obligation open to question.

III. Section 11.2.12.2: Loop Pre-Qualification for Stand Alone Loops

In deciding whether AT&T should be required to use Verizon's loop qualification tools, the Bureau noted that "[s]ince AT&T has agreed to use Verizon's loop qualification tools for line sharing, the **only** dispute in this issue relates to line splitting."[18] AT&T, however, is now attempting to raise an additional dispute that it never raised in

[17] Verizon's Petition For Clarification And Reconsideration of July 17, 2002 and Memorandum Opinion And Order (August 16, 2002) ("Verizon Petition") at 26-27.

[18] *Non-Cost Order* at fn. 1295 (citing AT&T Brief at 168 n.533) (emphasis added).

the proceeding, and that the Bureau accordingly never addressed. AT&T is now insisting on language that would permit it to use its own pre-qualification tools for stand alone loops, when **neither** line splitting nor line sharing is involved. As noted above, the Bureau gave AT&T the option to use its own qualification tools only in the line splitting context, and only subject to conditions that AT&T is now trying to avoid. Because AT&T never raised the issue in the context of stand-alone loops, there is no basis for its attempt to expand the Bureau's ruling after the fact.

Moreover, in deciding this issue, the Bureau repeatedly referenced the proceedings in New York. It held that it was deciding the issue "[c]onsistent with the holding in the *New York Commission Arbitration Order,*"[19] and deferred "to the New York Process and the procedure for importing that decision into this agreement through the process proposed by AT&T here."[20] That procedure is set forth in Schedule 11.2.17 of the parties' agreement, in section 1.5.1:

> **1.5.1** Except as expressly provided in this Agreement, all outputs from the New York DSL Process that are based on Federal law ("New York Outputs") shall apply in Virginia, including published operating procedures, agreements (both industry-wide and between AT&T and Verizon), **tariffs** and orders of the New York Public Service Commission that are based on Federal law, unless AT&T has expressly agreed otherwise, or unless the Virginia State Corporation Commission has issued an order applying Federal law that specifically directs that different rules or processes should apply. (emphasis added.)

This section demonstrates that the "outputs" from the New York DSL process, which includes "tariffs," "shall apply in Virginia." This is fatal to AT&T's argument because Verizon's New York tariff expressly provides that CLECs must use Verizon's

[19] *Id.* at ¶ 398.

[20] *Id.* at ¶ 399.

pre-qualification tools for stand-alone loops, as well as for both line splitting and line sharing. Section 5.5.4.1 of that tariff provides, in pertinent part:

> 5.5.4.1 The following ordering procedures shall apply to the ADSL, HDSL and Digital Designed Links described in this Section 5.5. In addition, the following ordering procedures will apply to Line Sharing and Line Splitting arrangements as described in Section 5.18 following.
>
> (A) Links must be pre-qualified to check for the availability of facilities and to ensure that the loop being provisioned meets the technical characteristics of a link able to provide compatible ADSL signals, HDSL signals or Line Sharing/Line Splitting arrangements, as applicable.
>
> (B) A mechanized pre-qualification database is currently being built on a central office by central office basis. **The TC [CLEC] must utilize this database in advance of submitting an LSR to determine whether a given loop is qualified.** Rates for Mechanized Loop Qualification are set forth in Section 5.5.2 preceding and Section 5.18.4 following.[21]

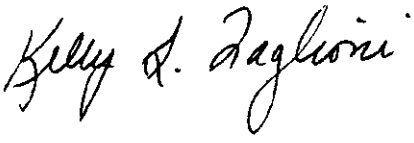
Based on the foregoing, the Bureau should reject AT&T's argument that it is entitled to use its own pre-qualification tools for stand-alone loops. That argument is not only a belated attempt to expand the Bureau's decision in this case, but it is also inconsistent with the provisions of the New York tariff, which the Bureau ordered should be imported into this agreement.

[21] Verizon New York Inc.'s PSC NY No. 10 Tariff, Section 5.5.4.1 (emphasis added).

IV. Conclusion

For the reasons stated herein, Verizon respectfully requests that the Bureau resolve the three disputed issues by adopting Verizon's proposed language.

Respectfully submitted,



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Dated: September 17, 2002

CERTIFICATE OF SERVICE

I do hereby certify that the foregoing Response was sent as follows this 17th day of September, 2002 by e-mail and overnight, express delivery:

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